Reform in telecom sector

2436. SHRI MOTIUR RAHMAN:
MAULANA OBAIDULLAH KHAN AZMI:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that tariff on STD and ISD calls is still not internationally competitive; and

(b) if so, what steps are being contemplated to further reforms in the telecommunication sector?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) No, Sir.

(b) Government has recently announced further reforms in the telecommunication sector which *inter alia* include reduction in Licence Fee for Long Distance Services, reduction in Entry Fee, Net-worth and Paid up requirement for grant of new National as well as International Long Distance Service Licence, opening of Internet Telephony by Access Service Providers.

Investment by MTNL in overseas telecom services

2437. SHRI JANARDHANA POOJARY: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that the market share of Mahanagar Telephone Nigam Limited (MTNL) has been declining over the last few years on account of the competition posed by private players with their international quality service and professional approach;

(b) if so, the details thereof with comparative figures for the last three years;

(c) what measures are initiated to match the service quality of private players and regain the lost ground;

(d) whether MTNL has been permitted to invest in overseas telecom firms; and

(e) if so, the details thereof with expected returns?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) and (b) Sir, it is true that market share of subscribers of MTNL has been declining during the last few years as shown by the table below. However, the main reasons for this are "abolition of monopoly of MTNL" and near saturation in "Demand of landline phones" in MTNL.

As on	Total customer base of MTNL	Total customer base in Delhi and Mumbai for all operators	Market share of MTNL
			%
31.3.2003	4981997	8120800	61.35
31.3.2004	4834486	12858336	37.60
31.3.2005	5153483	16012762	32.18

(c) Quality of Service (QoS) parameters of MTNL's Global System for Mobile Communications (GSM) network are meeting the Telecom Regulatory Authority of India (TRAI) norms.

QoS parameters of MTNL's Code Division Multiple Access (CDMA) are meeting the TRAI norms.

The QoS of mobile network is further improved by continuous optimization, addition of new Base Transceiver Stations (BTS), addition of indoor solution etc. Expansion of mobile network are planned to meet requirement and to cease congestion.

MTNL is the largest landline service provider in Delhi and Mumbai. The legacy network is prompt to fault and takes longer time to repair the fault. Nevertheless, MTNL is striving to provide good quality of service to its landline subscribers by:

(i) Modernizing the network to reduce faults and repair time.

(ii) Providing innovative services at affordable cost.

(iii) Reaching to customers by many customers friendly measures like Sanchar Haats, Selling Agents etc.

(iv) Easy billing payment option.

(v) Revising tariff from time to time to meet all segments of society.

(vi) Providing broadband service on existing land line.

(d) and (e) Yes, Sir. MTNL, like any other Navaratna Companies, is delegated with the power to establish financial joint ventures and wholly owned subsidiaries in India or abroad.

MTNL has invested Rs. 212.44 million till March, 2005 to form wholly owned subsidiary company, i.e. Mahanagar Telephone Mauritius Ltd. (MTML) at Mauritius. MTML was registered in Mauritius on 14.11.2003 to provide public switched services, public and mobile services and International Long Distance Services. The Company has already started its services in the month of June, 2005.

MTNL has also formed a Joint Venture (JV) company called United Telecommunications Ltd. (UTL) with Telecommunications Consultants India Ltd. (TCIL), Videsh Sanchar Nigam Ltd. (VSNL) and Nepal Ventures Private Limited (NVPL) (A Nepal based company). The JV has been awarded a license to provide WLL based Basic Telecom Services in Nepal. MTNL has invested Rs. 233.45 million till March, 2005. The Company has started commercial operations. The expected Incremental Rate of Return (IRR) is nearly 20% over a period of six years for MTML and over a period of 10 years for UTL.

Introduction of 'three-in one' service

2438. SHRIMATI JAYA BACHCHAN: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether MTNL has introduced 'three-in-one' service for its subscribers w.e.f. November 2005, if so, the details thereof;

(b) whether the service is on existing land-line connections, and whether the service is within the reach of every subscriber; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) Sir, MTNL has introduced high speed internet service also called Broadband Service under the name Tri Band on 14.01.2005 in both Delhi/Mumbai. The network is capable of supporting Triple Play Service namely voice, data and video simultaneously on the same telephone wires. Presently, high speed Internet and telephony is